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TAGS: [AORC](#) [ENRG](#) [KNNP](#) [TRGY](#) [IAEA](#) [IR](#) [UK](#)  
SUBJECT: PM BROWN PRESSES FOR SAFE NUCLEAR POWER, COMPLIANT  
IRAN, AND PROGRESS ON GLOBAL DISARMAMENT

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Classified By: Acting Economic Minister Counselor Kathleen Doherty for  
reasons 1.4 (b) and (d)

[1.](#) (C/NF) Summary. PM Brown affirmed in his March 17 International Nuclear Fuels Conference keynote speech the UK's commitment to a reduction in its nuclear arsenal, eventual global nuclear disarmament, and the use of nuclear power to meet its energy security needs. PM Brown said Iran could be a "test case" for a new international nonproliferation regime, that its current nuclear program was non-transparent and unacceptable, and he called on Iran to accept President Obama's offer of engagement. The International Nuclear Fuels Conference (March 17-18), hosted by the UK Foreign Commonwealth Office (FCO) in London, included high-level representation from thirty-six countries, as well as the European Union, International Atomic Energy Agency (IAEA), and other related organizations. Foreign Minister David Miliband and Secretary of the Department of Energy and Climate Change Ed Miliband also spoke at the conference, reinforcing the PM's message. US/UN Vienna Ambassador Gregory Schulte shared U.S. goals to help emerging nuclear states as well as our commitment to an international fuel bank. Even though member states did not reach agreement on specific proposals, the conference built momentum leading up to the IAEA Board of Governor's Meeting in June 2009. End summary.

UK'S NUCLEAR ROAD TO 2010  
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[2.](#) (C/NF) PM Brown described in his speech UK plans for the lead up to the 2010 Nuclear Non-Proliferation Treaty (NPT) Review Conference (RevCon). Brown outlined his "Road to 2010" plan expected to be released in coming months, which will detail the UK's goals on civil nuclear power, disarmament, nonproliferation, fissile material security, and the role of the IAEA. "We cannot afford to fail next year," PM Brown insisted. As part of this road map the UK will introduce detailed plans for the responsible future management of its stocks of fissile material. It will also seek wide consultation and engagement from industry, academia, and government to develop a "proliferation-proof" nuclear fuel cycle. The UK sees its proposal for a nuclear fuel assurance or "uranium enrichment bond" as an important step in resolving this issue. The UK discussed plans to host a recognized conference on nuclear disarmament issues and confidence building measures in summer of 2009.

13. (C/NF) PM Brown stated the UK is prepared to reduce its nuclear arsenal as part of a drive to reduce the number of nuclear weapons worldwide. He affirmed the UK cut its warheads by 50 percent since 1997 and is "committed to maintaining the minimum force necessary to maintain effective deterrence." Brown called on all states to sign and ratify the Comprehensive Test Ban Treaty and for the commencement of "urgent negotiations without preconditions" on a Fissile Material Cut-off Treaty. He called for multilateral efforts to reduce nuclear weapons, noting that the U.S. and Russia retain about 95 percent of nuclear weapons worldwide. He also stated, "I know from President Obama and the new Administration that America shares with us the ultimate ambition of a world free from nuclear weapons." HMG interlocutors separately underscored to us the UK wants to work closely with the U.S. and welcomes our leadership to reinvigorate the NPT in the lead up to the 2010 NPT Review Conference (ref C).

IRAN: "WORK WITH US, NOT AGAINST US"

14. (C/NF) PM Brown said Iran is a "test case" in the expanded international non-proliferation regime. "Iran has the same absolute right to a peaceful civil nuclear program as any other country," said Brown, but then underlined Iran's current program as "unacceptable," given its concealed

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nuclear activities and refusal to cooperate with the IAEA or UN Security Council Resolutions. Iran has the choice, he said, to take advantage of the international community's willingness to negotiate, including President Obama's offer of engagement, rather than sanctions. "I urge Iran, once again, to work with us rather than against us on this," said Brown. While most countries avoided commenting on Iran's nuclear program during the conference, Egypt expressed sympathy at one point with Iran regarding the obstruction of the nuclear fuel supply.

EMERGING NUCLEAR ENERGY STATES

15. (C/NF) Most countries agreed every country has the sovereign right to develop a civil nuclear program. However, some questioned the need for nuclear fuel assurances, suggesting the real motive is denial of technology. US/UN Ambassador Gregory Schulte reinforced the U.S. is interested in helping emerging nuclear energy states get access to nuclear fuel, while also strengthening the non-proliferation regime. As part of the nuclear fuel bank proposal financially supported by the U.S., potential recipient countries will not have to give up rights or incur costs, he said. Egyptian officials stated the current nuclear fuel market should not be interrupted. Most countries expressed confidence in the current enrichment market, although some noted concerns regarding the limited number of suppliers and a potential monopoly. Many saw regional or international approaches to nuclear fuel assurances as desirable, as well as a role for international fuel assurances at the back-end of the fuel cycle.

BUILDING TRUST AND COOPERATION IN FUEL SUPPLY

16. (C/NF) In discussing proposals on the table for nuclear fuel assurances, many countries agreed no potential customer state should be asked to "forgo" rights under Article IV of the NPT. A South Korean official stated during a working session on this topic "none" of the proposals on the table are attractive because they only take the view of the supplier. Incentives are necessary since South Korea does

not have current problems obtaining nuclear fuel on the open market, he added. To obtain the level of trust needed, one Japanese official said, there is a need for a "humble proposal" to admit the general rights of states to nuclear energy. Participants agreed the IAEA should have a role in promoting trust and cooperation and increasing dialogue and exchange on this issue.

#### IAEA'S ROLE AND MULTINATIONAL ASSURANCES AGENDA

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17. (C/NF) All participating states agreed the IAEA should play a role in the assurances of nuclear fuel supply and services, given its independent role. Timing is urgent, many countries noted. One area of concern, however, involved the IAEA's participation in commercial activities as a vendor, supplier, or with export controls. It should operate as a facilitator or honest broker, most agreed. It is still under debate whether the IAEA's role should be expanded, but most delegates admitted it should continue to be involved in verification, safety, and security. Participating states agreed the cost of multinational assurance activities should be born on investors in a particular proposal/project, not the IAEA.

#### NPT AND FUEL ASSURANCES AND SUPPLY

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18. (C/NF) During both days of the conference, Egypt and Brazil repeatedly asked to separate nuclear fuel assurances from the NPT, stressing it should be discussed next year. Canada and Italy were more supportive in their comments, linking multilateral fuel supply arrangements with Article IV of the NPT. Germany reinforced the need for cooperation for every country involved in the nuclear fuel cycle process. An official from the Netherlands introduced a new concept of "nuclear fuel free zones" as a strategy to ensure non-proliferation goals and strengthen cooperation on nuclear fuel cycle assurances. All agreed more dialogue is needed,

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and governments should reach out to non-governmental organization's (NGOs), academics, and other organizations to gain further input.

#### COMMENT

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19. (C/NF) Egypt Brazil, Argentina, and South Africa continue to be skeptical of the concept of building mutual assurances on nuclear fuel supply. However, emerging nuclear power countries such as Jordan, the United Arab Emirates, the Philippines, and even Bangladesh noted their support throughout the conference. More work needs to be done in the months ahead leading up to the IAEA Board of Governor's meeting to build more support for the U.S.-supported nuclear fuel bank proposal under the Nuclear Threat Initiative (NTI). HMG officials conceived of the conference as a contribution to fulfilling the NPT's Article IV commitment to the peaceful use of nuclear power by NPT signatories. In their view, efforts to advance the other two NPT "pillars" of disarmament and nonproliferation will ring on hollow ears in many non-nuclear states unless the nuclear weapons states facilitate access to peaceful use of nuclear energy.

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